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RUEHGZ/AMCONSUL GUANGZHOU 0597
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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 002323

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E.O. 12958: DECL: 10/12/2022

TAGS: [PGOV](#) [TW](#)

SUBJECT: PRESIDENT CHEN RESUMES PARTY HELM, FRANK HSIEH
RETURNS TO CAMPAIGN TRAIL

REF: A. TAIPEI 2285

[1](#)B. TAIPEI 2244

Classified By: AIT Acting Director Robert S. Wang,
Reasons: 1.4 (b/d)

[1](#)1. (C) Summary: President Chen announced on October 11 his resumption of the DPP chairmanship, succeeding Yu Shyi-kun, who resigned following his indictment as well as the rejection of Yu's radical language for the "Normal Country" Resolution at the September 30 party congress (ref B). On October 12, DPP presidential candidate Frank Hsieh held a press conference, marking his return to the campaign trail following a two-week hiatus resulting from a knee injury and a perceived need to regain control of the campaign agenda, which had been distorted by Yu's Deep Green initiatives and by President Chen's activism on the UN referendum and other issues. AIT's DPP contacts welcome Chen's resumption of the party chairmanship, believing he is the only leader strong and clever enough to balance and manage the party's fractious factions and individuals. Upcoming leadership changes at DPP headquarters are expected to improve coordination between the party and the Hsieh campaign. End Summary.

[1](#)2. (SBU) On October 11, President Chen Shui-bian announced his agreement to resume the chairmanship of the DPP, a position he held from 2002-2004. He also announced that Presidential Office Deputy Secretary General Cho Jung-tai will become the new DPP secretary general, replacing Lin Chia-long, who is slated to replace Cho at the Presidential Office (though probably at a lower level). Chen stressed that his main task as DPP chairman will be to lead the party to victories in the legislative and presidential elections in January and March 2008. Chen compared his role to that of a traditional sedan chair carrier. "Those who help carry the sedan chair must not drive away its occupant (i.e., Frank Hsieh). The sedan's occupant gives orders and tells the carriers where to go, while the carriers (i.e., Chen) must warn the occupant about any dangers so he can decide where to go (i.e., determine campaign strategy)." Later the same day, Chen departed on a four day trip to the South Pacific.

[1](#)3. (SBU) On October 12, DPP presidential candidate Frank Hsieh held a press conference, marking his resumption of campaigning after a two-week hiatus with no public activities. In his press conference, Hsieh stressed the

importance of Taiwan passing a referendum on joining the UN as well as the long-term consequences of deciding whether to apply to the UN as "Taiwan" or as the "Republic of China." He challenged KMT candidate Ma Ying-jeou to a public debate on the relative merits of the separate DPP and KMT UN referenda, with the losing party withdrawing its proposal, which would increase the prospects for passage of a UN referendum. According to the media, Ma responded that the public is focused on economic issues, and therefore a debate should be devoted to economic issues.

14. (C) Hsieh disappeared from public view when he canceled a campaign rally planned for the conclusion of the September 30 DPP party congress. Because the congress became embroiled in the dispute over the "Normal Country" Resolution (ref B), the Hsieh camp realized the planned rally would have fizzled, because the media was entirely focused on the controversy over the Normal Country Resolution, Bihkim Hsiao, Hsieh's international affairs director, told AIT. Hsiao added that Hsieh has not suffered any damage in public opinion polling as a result of his twelve-day absence from the campaign trail. Hsiao and TECRO Council Member Corey Chen, a close Hsieh advisor, both pointed out that Hsieh's absence had actually led the media and public to refocus their attention on the DPP candidate. Health as well as political considerations contributed to Hsieh's temporary inactivity, Corey Chen noted. Hsieh had suffered a significant knee injury, which caused discomfort and needed time for healing, and he had not wanted to engage in public events while appearing lame, Corey Chen said, adding that Hsieh is still not fully recovered and may need to limit campaigning for a time.

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15. (C) AIT's Green political contacts are in agreement that President Chen's resuming the party chairmanship is a wise move. Chen is the only leader with sufficient power and political skills to balance and manage the party's fractious factions and individuals, they say. In addition, they point out, President Chen has a strong personal interest in a Hsieh victory in order to protect himself from possible prosecution for corruption when he loses presidential immunity after leaving office next May. In separate conversations, Vice presidential candidate Su Tseng-chang and Bihkim Hsiao suggested to AIT that Chen and Hsieh will complement each other, working relatively well together as a team (ref A). According to their view, Chen, a more aggressive campaigner, will consolidate and fire up the Deep Green base. This will protect Hsieh's flank, enabling him to pursue a lower decibel campaign strategy aimed at winning support from centrist swing voters.

16. (C) From a different perspective, however, Corey Chen acknowledged that trying to channel President Chen's assertiveness in directions helpful to Hsieh's campaign could prove challenging, though he also stressed that President Chen and Hsieh share the same goal of getting Hsieh elected president. This is quite different from the situation with Yu Shyi-kun and his associates, who were bent on pursuing Deep Green initiatives at odds with Hsieh's positions. Corey Chen noted that Hsieh has asked President Chen to take the lead in coordinating DPP cooperation with the Taiwan Solidarity Union, independent legislators, and Taiwanese KMT legislators, a task which the previous Yu Shyi-kun DPP headquarters team had badly fumbled. Hsieh has also asked President Chen to focus on central Taiwan, an area where Hsieh is lagging badly, which Corey Chen attributed to non-performance by former secretary general Lin Chia-long. According to Corey Chen, in reappearing now, Hsieh is trying to regain control of the campaign agenda. Hsieh hopes to reduce Blue-Green confrontation over the UN issue and also to begin laying new campaign themes intended to appeal to centrist voters, including reform of the legal system and possibly establishing English as Taiwan's second official language.

17. (C) With President Chen resuming the DPP chairmanship, there will be a changeover in most of the leadership positions at DPP headquarters, with Deep Green Yu loyalists being replaced by supporters of Hsieh, Su, and President Chen. The new lineup may be announced next week, after President Chen returns from the South Pacific. Bikhim Hsiao told AIT that she will be replacing Lai I-chung as the party's International Affairs Director, a position she has previously held. The change in leadership positions at party headquarters should significantly improve coordination between the party apparatus and the Hsieh campaign and probably also the performance of the DPP staff, our contacts suggest.

Comment

18. (C) Former DPP Chairman Yu Shyi-kun tried to force Frank Hsieh, against his will, to adopt a Deep Green agenda for his presidential campaign. Hsieh refused. The recent indictment of Yu for corruption gave Hsieh and President Chen the opportunity they needed to compel Yu's resignation and reorganize DPP headquarters in a way they hope will help rather than hinder Hsieh's presidential campaign and the legislative campaigns. While sharing a common interest in winning the presidential election, Chen and Hsieh have different temperaments and ideas about the campaign. Ensuring that Chen complements rather than undermines Hsieh will likely remain a challenge throughout the campaign.

WANG